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Orphan Medicinal Products Working Group

23 January 2018, Brussels

Agenda (I)

I. **Welcome / OMP WG Priorities 2018 / Next Events / Working Group Meetings**

II. **EU Commission's ongoing analysis of incentives and rewards, focusing on orphan drugs**
- Roadmap for a joint evaluation of the European Paediatric and OMP Regulations & 2019 study on orphan drugs
- EUCOPE's engagement activities for 2018

III. **EURORDIS' paper on 'Breaking Down the Access Deadlock'** (Joelle Khraiche, CSL Behring)
- Presentation of the paper's main conclusions
- Breakout sessions: what should EUCOPE's position on EURORDIS' proposal be?

IV. **EUCOPE & Members' activities for the Rare Disease Day (28 February)**

Agenda (II)

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V. **Access to treatment for rare diseases in Ireland – an update on the National Rare Disease Plan and the current situation** (Jean-Louis Roux, BioMarin)

VI. **Germany: overview of the government formation and views on orphan drugs** (Matthias Heck, Alexion)

VII. **Pharmacy preparations as comparators for significant benefit and price-setting**
- Sharing experiences on the new Commission Notice for Significant Benefit
- Possible EUCOPE activities

IX. **EMA reports on decision-making for orphan medicines**

X. **Health Technology Assessments – a discussion on the leaked Commission proposal for EU cooperation beyond 2020**

XI. **A.O.B / End of meeting**

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I. Welcome / OMP WG Priorities for 2018 / Next Events / Working Groups

OMP WG Priorities for 2018

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Overall objective: wider awareness about rare diseases & recognition of the added-value of orphan drugs / fostered innovation

Incentives:

- **Ensure the system is preserved and that the development of future orphan treatments is not jeopardised** (focus on orphan drugs; but also paediatrics, SPC, RDP)

Health Technology Assessments (HTA):

- **continued participation in EUnetHTA activities**
- **Active feedback on the Commission proposal on EU cooperation on HTA after 2020**
- **Stress the specificity of rare diseases: "no size fits all"**

Pricing & access:

- **Contribution to the Real World Evidence (RWE) multi-stakeholder initiative**
- **Continued involvement in the European High Level Group**
- **Continued collaboration with EURORDIS** (events, One-Text-Paper, etc.)
- **Informing EU & national discussions on pricing & access with EUCOPE's position**
- **Monitoring of joint pricing negotiation initiatives** (Beneluxa, Valletta Declaration, SP/IT, Central Eastern European Countries)

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Next Events

- 1 February: **Regulatory Meeting, Brussels**
- 6 February: **P&R / Market Access Meeting, Brussels**
- 15 February: **Legal Meeting, Zurich**
- 20 February: **SIOPE (Paediatric Cancer in Europe), Brussels**
- 21 February: **Members' Meeting, Brussels**
- 21 February: **EURORDIS' ERTC, Brussels**
- 22 February: **Lifesciences College, Brussels**
- 28 February: **Rare Disease Day**
- 8/9 March: **High Level Group meeting, Malta**
- 20 March: **Orphan Medicinal Products Meeting, Brussels**

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II. EU Commission's ongoing analysis of incentives and rewards, focusing on orphan drugs

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Roadmap for an Evaluation of the legislation on medicines for children & rare diseases

Document clarifying context, scope and purpose of the evaluation of Regulation (EC) No 1901/2006 on Paediatrics and Regulation (EC) No 141/2000

- **Two-fold purpose**:
  - assess strenghts & weakness of the 2 legal instruments
  - shed light on how they have been used and their financial consequences

- **Scope:** outputs & results of the Regulations (are patients' needs fulfilled? What are the societal consequences? Cost-effectiveness?)

- **Timeline:** Q1 2018 to Q3 2019 ; 12-week stakeholder consultation in Q3 2018.

- **N.B.:** study on orphan medicinal products legislation due in Q1 2019

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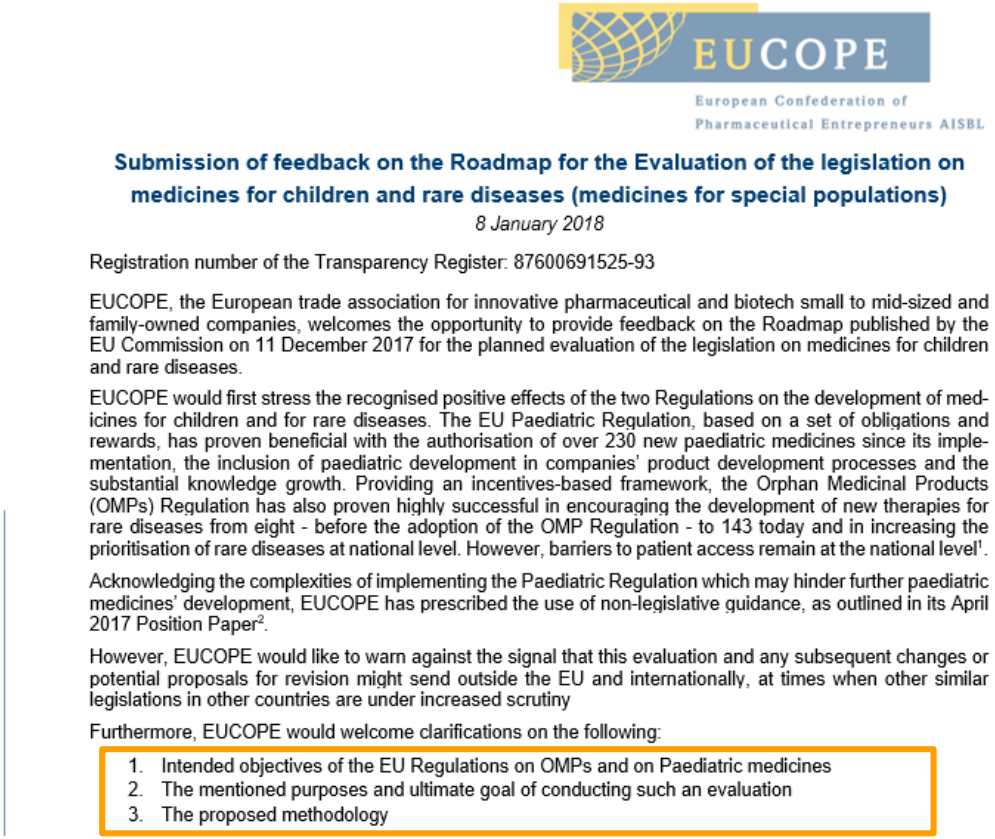
EUCOPE's submission on the Roadmap for an Evaluation of the legislation on medicines for children & rare diseases



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Submission of feedback on the Roadmap for the Evaluation of the legislation on medicines for children and rare diseases (medicines for special populations)

8 January 2018

Registration number of the Transparency Register: 87600691525-93

EUCOPE, the European trade association for innovative pharmaceutical and biotech small to mid-sized and family-owned companies, welcomes the opportunity to provide feedback on the Roadmap published by the EU Commission on 11 December 2017 for the planned evaluation of the legislation on medicines for children and rare diseases.

EUCOPE would first stress the recognised positive effects of the two Regulations on the development of medicines for children and for rare diseases. The EU Paediatric Regulation, based on a set of obligations and rewards, has proven beneficial with the authorisation of over 230 new paediatric medicines since its implementation, the inclusion of paediatric development in companies' product development processes and the substantial knowledge growth. Providing an incentives-based framework, the Orphan Medicinal Products (OMPs) Regulation has also proven highly successful in encouraging the development of new therapies for rare diseases from eight - before the adoption of the OMP Regulation - to 143 today and in increasing the prioritisation of rare diseases at national level. However, barriers to patient access remain at the national level[1].

Acknowledging the complexities of implementing the Paediatric Regulation which may hinder further paediatric medicines' development, EUCOPE has prescribed the use of non-legislative guidance, as outlined in its April 2017 Position Paper[2].

However, EUCOPE would like to warn against the signal that this evaluation and any subsequent changes or potential proposals for revision might send outside the EU and internationally, at times when other similar legislations in other countries are under increased scrutiny

Furthermore, EUCOPE would welcome clarifications on the following:

1. Intended objectives of the EU Regulations on OMPs and on Paediatric medicines
2. The mentioned purposes and ultimate goal of conducting such an evaluation
3. The proposed methodology

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EUCOPE's submission on the Roadmap for an Evaluation of the legislation on medicines for children & rare diseases (II)

EUCOPE requested clarifications on:

- **Intended objectives** of the EU Regulations on OMPs and on Paediatric medicines
- The mentioned **purposes and ultimate goal** of conducting such an evaluation
- The proposed **methodology**

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EUCOPE: SMEs & RARE DISEASE SOLUTIONS

MEDICAL PROGRESS, THRIVING LIKE NEVER BEFORE

THE SUCCESS EQUATION: SCIENCE AND INCENTIVES

CONCERNS AND ROOM FOR IMPROVEMENT

REDUCING INCENTIVES WON'T SOLVE AFFORDABILITY – BUT IT WILL DENY PATIENTS LIFE-SAVING TREATMENTS

2018-2019 Key regulatory milestones

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1. OECD Report
Focusing on access to medicines and potential solutions

2. Copenhagen Economics Report
On IP incentives & other rewards, followed by a discussion with stakeholders

3. Max Planck Institute Report
On the legal aspects of the SPC system in the EU

4. Commission proposal on SPCs
Based on previous Commission-initiated studies and public consultation on SPCs and patent research exemptions

5. Commission proposal on HTA
Important for the discussion on access to drugs through faster and harmonised evaluation process

6. Study on Orphans
The date of the study is still to be confirmed

7. Evaluation of Orphan and Paediatrics Regulations
Based on stakeholder consultation, the Paediatric Report, and the result of the studies

2018-2019 Strategic calendar

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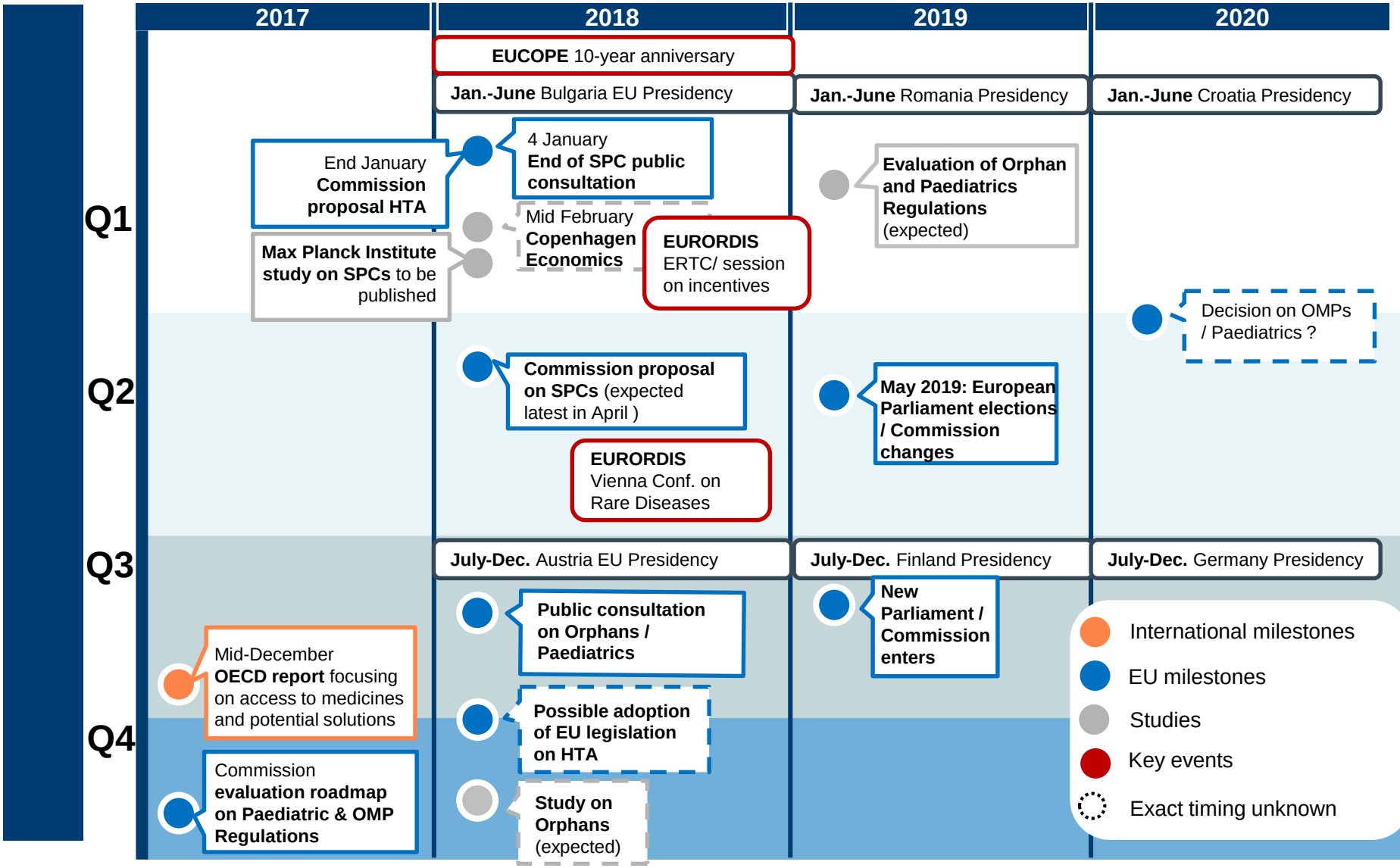

Environment and goals

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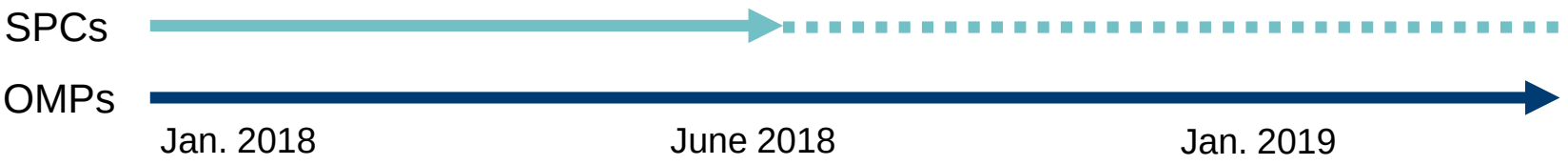
What external environment have we taken into account to build this engagement plan?



Plan takes into account that the goal is split:

1. EUCOPE to be as helpful on SPCs as possible between now and June, without overstretching its persona
2. Medium term, EUCOPE to focus on the Orphan Regulation, which will probably be addressed by the next Commission

Strategic approach 1/2

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- Currently, there is a small number of decision-makers influencing the debate – primarily the European Commission and Member States
- On the industry side, the arguments of EPHA and Medicines for Europe seem to be 'winning'
- EUCOPE's IP narrative is broadly working

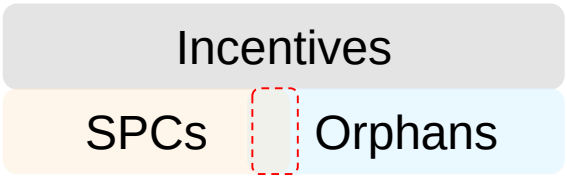
To change the balance of opinion, EUCOPE needs to spread its narrative to decision-makers and ensure its 'differentiation' messages are understood. This will require a mix of:

Direct interaction with decision-makers in Brussels and Member States

Indirect interaction through traditional comms activities and campaigning (social media, online articles, events, etc.)

In messaging terms, the key arguments for EUCOPE to stick to in its messaging are as follow:

Sufficient input on SPCs Don't follow the crowd	Balanced – EUCOPE's persona benefits are protected



Strategic approach 2/2

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Brussels outreach | National outreach | Communications

MAIN OBJECTIVE:

- **EUCOPE's narrative and arguments are found and noticed by decision-makers**
- **The balance of opinion on incentives is changed:**

'The incentives system is appropriate and is not the direct source of access and pricing issues. Any decrease in the current framework will jeopardise the development of new medicines, especially for rare diseases'

Disseminate EUCOPE's narrative and arguments through LinkedIn and other articles, speeches, using specific case studies. Increase EUCOPE's digital power to ensure resonance

Goals for 2018 engagement

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	What success looks like at end 2018?
HIGH QUALITY INPUT	• Support for the **incentives system as a whole** in the context of rare diseases • Clearer EUCOPE position on **pricing**, value and access, in particular for OMPs • Greater contribution to discussion on balancing incentives for innovation, patient access and **sustainability of healthcare systems**
OUTREACH	• EUCOPE network including national associations activated at **national level** • **SMEs** and pre-commercial companies heard and influential • Alignment with **allies** on shared positions (public where possible) and strengthening our strategic partnership with EURORDIS • Key opinion leaders activated and vocal • Appropriate support in the **European Parliament and in priority Member States**
POLITICAL CAMPAIGNING and COMMS	• EUCOPE is **known**: as thoughtful, leading voice of rare diseases and SMEs • EUCOPE is seen **differently** to other trade associations • Media and public see and understand the '**big picture**'

2018-2019 Work plan

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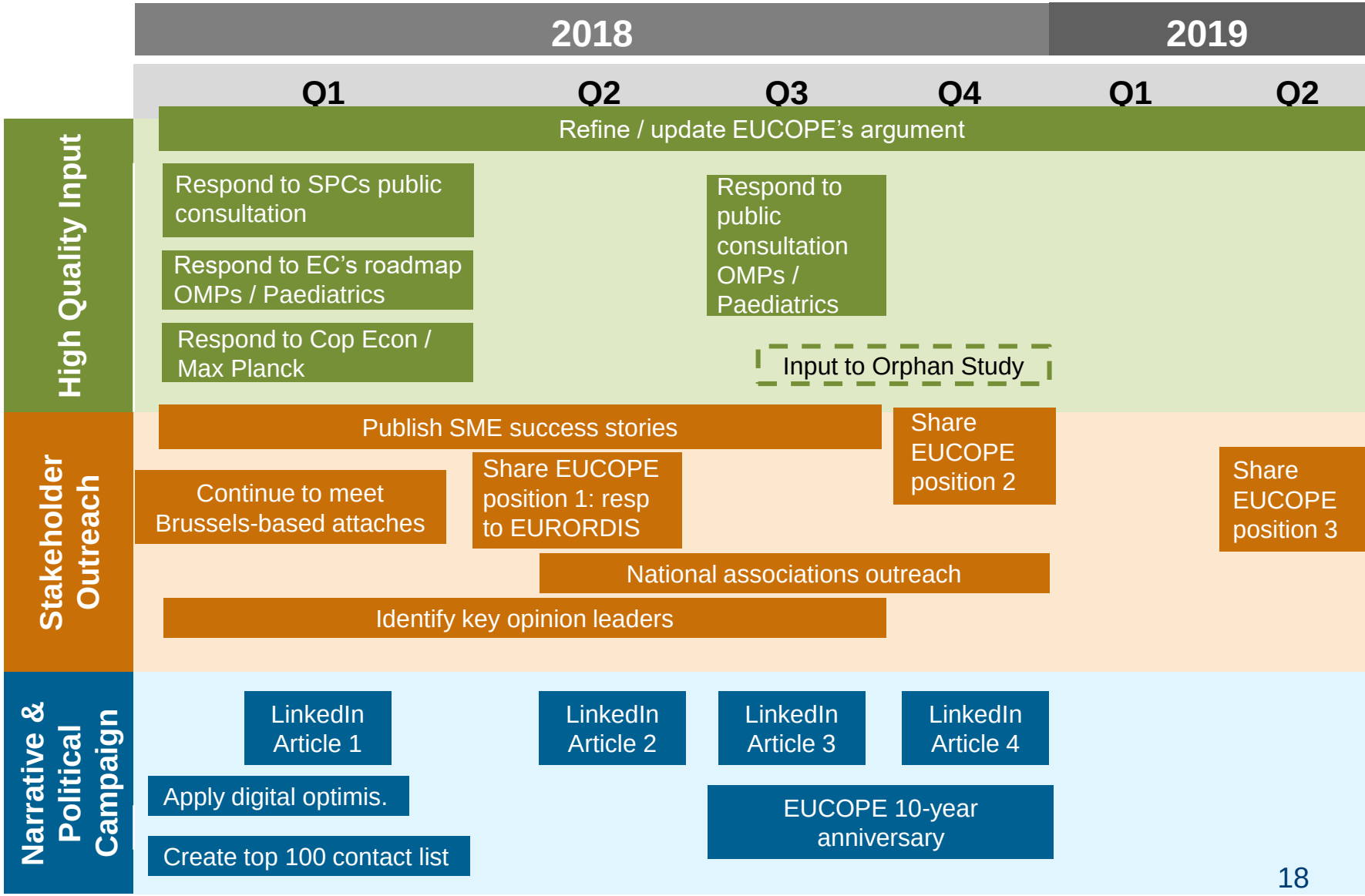

Testimonials collection (I)

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DISEASE		
Disease name	Brief description of symptoms & possible evolution	Patient population in the EU

Testimonials collection (II)

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TREATMENT			
What is the treatment developed by your company (without name)	How did the treatment change the patients' lives?	Price range in the EU*	Are there any other treatment on the market? (Y/N)

Testimonials collection (III)

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DRUG DEVELOPMENT & COMMERCIALISATION			
Major milestones in drug development & regulatory approvals (patent, SPC, Orphan Designation, Marketing Autorisation, etc)	Major milestones in market access; any innovative market access model? any issues faced?	Time gap between research and marketing autorisation and first commercialisation	Any particular comments about the role of the incentives in the development process, e.g. feedback from investors?

Testimonials collection (IV)

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COMPANY DETAILS		COMPANY STATEMENT	
Name	Size Date of creation & circumstances (who? How?) Markets covered Place of HQ N° Employees Company growth milestones (M&A, etc.)	Autorisation to have general statements (*) on the importance of IP rights, innovation, incentives, etc., signed by the company CEO	Autorisation for disclosure on external platforms (meetings, events, EUCOPE website, newspaper article (please inform if you wish for some information not to be disclosed)

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Feedback on testimonial template
&
Intelligence sharing

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III. EURORDIS' paper on "Breaking Down the Access Deadlock"(Joelle Khraiche, CSL Behring)

- Presentation of the paper's main conclusions

- breakout sessions: brainstorming

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EURORDIS Access Position Paper

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EURORDIS' Ambition

- **3 to 5** times more new rare disease therapies **approved per year**, **3 to 5 times cheaper** than today **by 2025**

EURORDIS Call to Industry

- Industry associations, leading corporate players and also the investor community must take a firm stance towards a **fairer pricing** strategy and **business model.**

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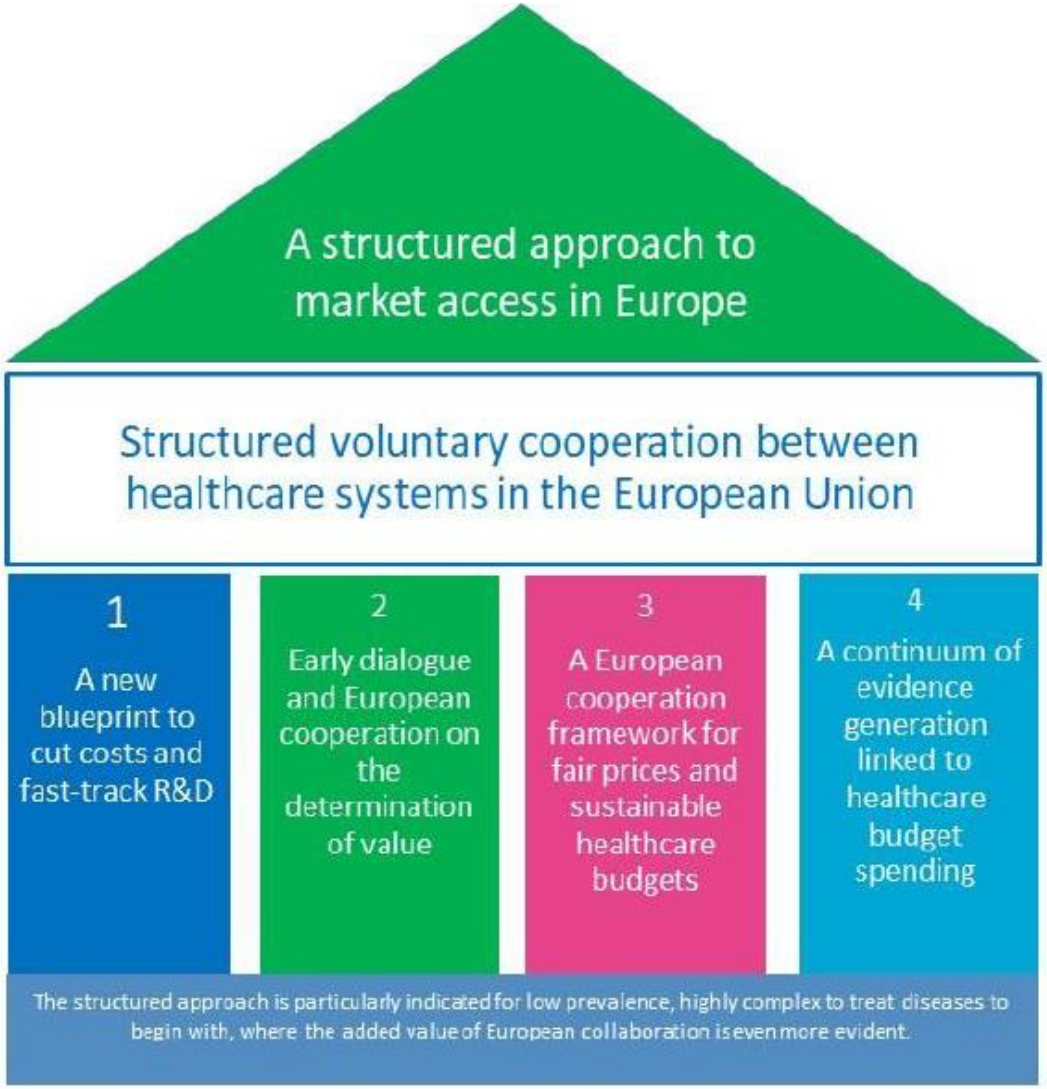
EURORDIS Proposal



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Pillar 1: A new blueprint to cut costs and fast track R&D

- Clinical trials designs in small populations (e.g. cross-over clinical trials, sequential trials, multi-arm studies) and innovative statistical methods (e.g. Bayesian methods)
- Use of PROMs
- Use and qualification of biomarkers
- Patient registration /disease registries
- Clinical Research Networks on Rare Diseases embedded in the ERNs
- Involvement of patients through product lifecycle
- **Member States alignment across their medicines' regulators, HTA and experts responsible for P&R**

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Pillar 2: Early Dialogue and cooperation on the determination of value

- Horizon scanning
- Early dialogue at a very early stage, on a specific disease, in a multi-stakeholder format (reference to MOCA pilots)
- Scientific advice and protocol assistance at the EMA
- EUnetHTA Early Dialogue, Late Dialogue, and Evidence Generation Plan (JA 3)
- Increased cooperation crossways between the EMA, HTA bodies and payers (PRIME, MoCA, EMA scientific advice, EMA-HTA scientific advice, EUnetHTA scientific advice)
- Leverage ORPH VAL : open 3rd round of discussion to EFPIA, Europabio, payers members of MEDEV and EUnetHA , in partnership with EURORDIS

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Pillar 3: European Cooperation Framework for fair prices and sustainable healthcare

- A European Table of Negotiation for all volunteering payers from EU Member States – modelled on MoCA
- Commitment by MS to enter into joint price negotiation or joint pricing and to formalise outcome of these negotiations into MEAs
- Application of differential pricing mechanism
- Conditional approval at phase 1 with conditional discount
- EU HTA Collaboration : compulsory European Scientific centralised scientific advice and REA (under the adoption of EU Reg)
- EU Council Rec on European collaboration between national healthcare systems (on price and market access)

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Pillar 4: A continued approach to evidence generation linked to healthcare budget spending

- Formative and summative assessments
- Support for ERNs to generate RWE (through patient registries and collection of data); and framework to allow industry partnerships
- European Fund as part of the FP9 EU Research Programme to generate evidence in OD
- Value reassessment and price revision (fluctuating European transactional price)

EURORDIS Key Messages and Concepts

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Challenging misconceptions about MA of OMPs

- Orphan status of a product in Europe is not easy to obtain, maintain, and not meant to last forever
- From all orphan designation applications submitted to the COMP, only 72% receive a positive opinion for designation
- Of these, 27% more will be losing their orphan status at the time of receiving their MA

EURORDIS Key Messages and Concepts

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Challenging misconceptions about pricing of OMPs

- Of the 70+ orphan medicines approved by EMA up to April 2014, 24% of them had an annual cost €11,000, and only 18% of them an annual cost superior to €111,000

- OMPs represent less than 5% of the total pharma expenditure on average for EU MS

- OECD latest figures show that “between 2009 and 2014, expenditure on pharmaceuticals dropped by 1.1% in real terms on average in the EU

EURORDIS Key Messages and Concepts

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European Table of Negotiation

- Grouping of EU Member States from economic point of view and prevalence of rare diseases
- Stronger cooperation with NCAs and MS
- Early dialogue with all key stakeholders
- P&R based on balance of pricing, volume and evidence generation
- Joint purchasing /joint price negotiations leading to MEA

EURORDIS Key Messages and Concepts

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A “fair price” beyond value-based pricing

- The illusion of value based pricing - vast disconnection continues to exist in real life between the value of a product and the price claimed

- A fair price beyond value based pricing = “justification of the price” OR a cost-based price, compounded by a determination of the value of the product, and adjusted by premiums and discounts as relevant

European Transactional Price and Differential Pricing

- Shift towards a European Transactional Price and Differential Pricing in lieu of a European Reference Price
- European Transactional Price to be adjusted via a differential pricing mechanism according to MS ability to pay (and coupled with exemption on parallel trade)

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European Fund for MA evidence generation

- Financed from the EU budget directly, or based on individual contributions from each (volunteer) Member State
- Fund could support a proportion of the cost of treatment for a standard duration of 3 years
- Encourage direct access post MA

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Members' views on a possible EUCOPE response?

Collective brainstorming

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Pillar 1: A new blueprint to cut costs and fast track R&D

Pillar 3: European Cooperation Framework for fair prices and sustainable healthcare

Pillar 2: Early Dialogue and cooperation on the determination of value

Pillar 4: A continued approach to evidence generation linked to healthcare budget spending

- What do you think of EURORDIS' proposal?
- Are there any other solution than that envisaged by EURORDIS?
- Call for volunteers

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Lunch Break

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IV. Rare Disease Day (28 February)

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V. Country updates

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V. Country updates

Ireland

Jean-Louis Roux, BioMarin

Access to rare disease treatments in Ireland

INTRODUCTORY OVERVIEW

EUCOPE, 23 JANUARY 2018

Healthcare in Ireland: The Current State of Play

THE IRISH TIMES

Analysis: Poisoned chalice of health lacks long-term strategy

Service is well funded by European standards, but problem is not just political

Fri, Jan 6, 2017, 01:00

Fiach Kelly

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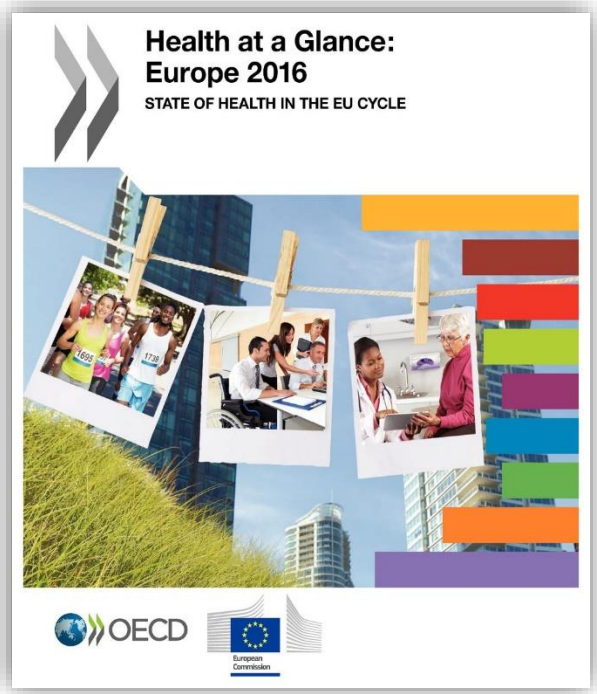
Minister for Health Simon Harris finds himself exactly where others have before: apologising for a system that does not work. Photograph: Dara Mac Dónaill

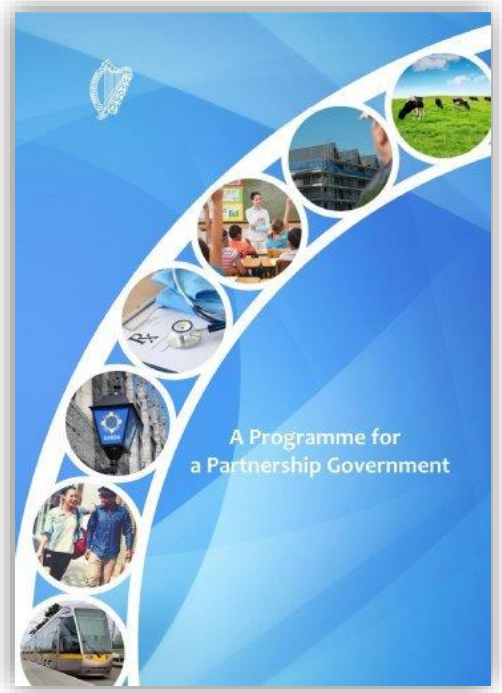
Healthcare in Ireland: The Current State of Play

- "Angola"
- Among the highest health spending ratio in OECD… but among the worst for outcomes
- Above the EU average in death rate from heart attacks, cancer, pneumonia, respiratory diseases. High incidence of CF and cancer.
- Demographic pressures (+ 1 mln in 65+ by 2041, spend increase of + 3.5 bln EUR forecast by 2030)
- 666k+ patients currently on waiting lists (namely outpatient appointments or awaiting surgery)
- Worst A+E waiting lists by EU standards, and among worst for equity of healthcare system + access to services
- Multiannual agreement in place with the pharmaceutical industry (via IPHA)



Healthcare Reform: The Government Plan

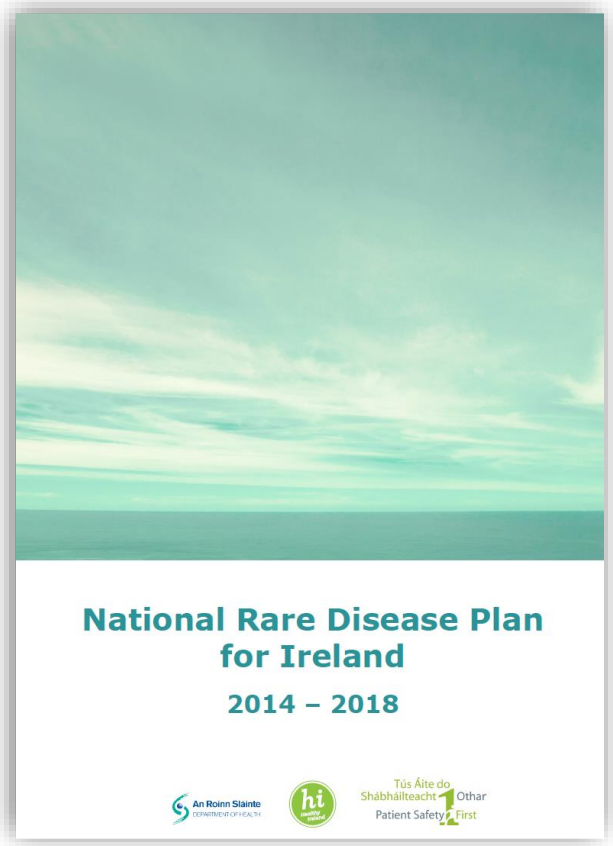
- Continue dismantling the HSE to hospital groups / independent trusts
- Performance Management Unit to supply service providers with assistance re financial performance and investment – Failure to meet targets to result in funding loss and need for remedial actions
- Activity-based funding for Hospital Groups and Community Healthcare Organisations (CHO, similar to NHS Trusts)
- Multi-year budgeting supported by a 5-year Health Service Plan
- Review of HCP roles



Thinking Ahead:
The Future of Health Committee

- Special committee to reach political consensus
- Long-term (10-year) vision for health care and to set the direction of health policy in Ireland
- Core areas of focus:
  - Universal / cheaper care
  - Integrated services
  - Split public/private
  - Other structural reforms (HSE Board…)
- *Slaintecare* Report published May 2017
- On the reimbursement of orphan drugs:
  - Orphan drugs (and novel, high-tech treatments in general) recognised as a challenging area
  - Solutions suggested address medicine wastage, increasing market share of generics/biosimilars, as well as a more effective procurement process to lead to lower prices
  - International best practices to be identified and utilised, primarily in the interest of securing lower prices

National Rare Disease Plan 2014-2018



Where We Are Today

- 1.9 bln EUR in reimbursement in 2015 (a 5% y/y increase, breaking down as 1.5 bln on community schemes + high tech drugs, and 300 mln on hospital drugs)
- **Backlog** created during IPHA Agreement negotiations
- Sharp increase in the number of **HTA assessments** (4 in 1998, est. 75 in 2017)
- **Capacity constraints?** Serially unmet deadlines from HSE, with about 35 to 40 drugs still awaiting review by the HSE Drugs Group
- NCPE Mission: "Maximise population wellness" (in the case of rare diseases, this means looking after **the many over the few**)
- Acceptance that **"the current system is not sustainable"** – Health Minister Simon Harris has been intensifying his efforts to connect to other EU and OECD initiatives
- Perceived **"exorbitant"** pricing strategy from the industry: "In many cases, the main driver of the price is an estimate of the maximum amount that healthcare systems can pay and is not connected to the health benefit of the treatment or indeed the development costs" (Simon Harris, March 2017)
- Several cases of **highly publicised and prolonged negotiations** for OMPs (Soliris, Orkambi, Respreeza…)

System issues identified

QALY Process for the reimbursement of rare and orphan drugs

- The practice of assessing orphan drugs and technologies through the same mechanism as other medicines has been a long-standing issue, however in previous drug reimbursement frameworks, there was some flexibility provided to manufacturers, as 'exceptional' products that failed the cost-effectiveness threshold of €45,000 QALY could be advanced through 'meaningful discussions' between the HSE, Department of Health, relevant clinicians and the applicant.
- Following the removal of such wording in the current IPHA framework, the process is set in a manner that de facto rejects any high-cost but low-patient numbers product.

Lack of transparency post NCPE process

- Our experience of the NCPE process has been largely positive, notwithstanding our concerns about the metric by which our drugs are assessed by the NCPE. Throughout the NCPE process there is a welcome transparency.
- However, from that moment onwards, there is a disappointing lack of transparency from within the HSE, in particular the HSE Drugs Group.
- There are no formal communication structures between external stakeholders and the HSE Drugs Committee, leaving patient groups and drug manufacturers in the dark for long periods of time.
- Pharmaceutical companies, patient groups and other stakeholders do not know all the members of the Committee.
- This necessarily leaves both the pharmaceutical companies, the patient groups and patients themselves in a position where they do not have a clear idea when a decision will be made on the reimbursement of a drug.

System issues identified

Lack of clinical and patient voice

- Throughout the reimbursement process as a whole, there is a lack of expert clinical opinion and patient voice.
- The NCPE process, though transparent, focuses their assessment of whether a drug should be reimbursed overwhelmingly on the cost-effectiveness of the drug and uses the Quality Adjusted Life Year methodology to determine whether or not a drug should be reimbursed.
  - However, as noted above, rare and ultra-rare medicines are almost universally never going to be able to meet this threshold, making it almost impossible for these pharmaceutical companies to see their products reimbursed.
- No formal weighting is given to the patient or clinical voice in the reimbursement process when deciding to reimburse a drug. Though there is no confirmation of this, it is understood that the HSE Drugs Group only reviews information from the NCPE review process and does not consider alternative views from patient groups and clinical practitioners who could legitimately "override" the process.
- While value for money is undoubtedly an important priority in any decision to reimburse a drug, other, non-economic factors such as prioritisation of severity, unmet need, patient and carer experience and equity should all be considered by the NCPE and the HSE Drugs Group when it comes to making its' decision on whether to reimburse a medicine for an ultra-rare condition.

Are things changing?
Joint Health Committees Meetings in 2017

The Patients' Voice Rising:
IPPOSI-MRCG's "Iceberg" Report (Aug 2017)

- Captures the outcomes of the June 2017 patients-only meeting held by IPPOSI and the Medical Research Charities Group (MRCG) on the issue of access to medicines in Ireland
- Extensive focus on OMPs (several rare disease case studies were presented and discussed at the meeting included)

Recommendations to Government include:

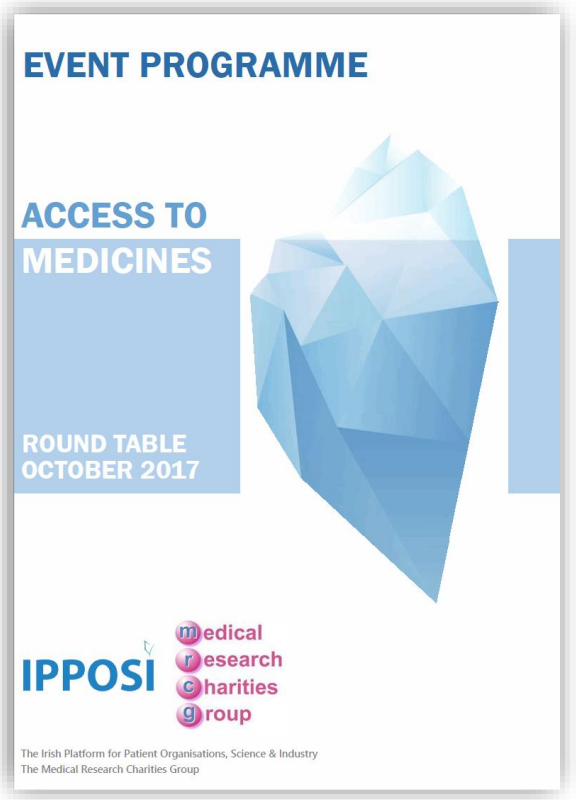
1. The key recommendation in this report is the call for the development and implementation of a new national strategy on access to new and innovative drug therapies in Ireland involving all key stakeholders, including patient groups and the public. This strategy should be based on the principles of fairness, equality, value for money, transparency, effectiveness and sustainability.
2. The full ring-fencing of the anticipated savings from the current and future agreements between the State and pharmaceutical companies for new, innovative and/or improved drug therapies.
3. An immediate review of the present IPHA Agreement to ensure that the savings of up to €750m will be fully realised.
4. Further savings on the existing budget for drugs outside the present IPHA agreement can and should be made and ring-fenced from, for example, a national biosimilars policy and agreements with individual companies.
5. Companies that are presently not members of IPHA should be required to be part of a new and sustainable national strategy on access to new and innovative drug therapies in Ireland.
6. Clarification, consistency and transparency on the post-HTA phase of the drug approval process in Ireland. This has changed several times in recent months, which is undermining patients' confidence in the system. Similarly, clarification and reform of the drug reimbursement process at hospital level is required. It is unclear to patient groups why some high-tech drugs are reimbursed from hospital budgets and others from a national budget.
7. An explicit commitment from Government that it is not embarking on a course of developing a de facto 'drug rationing policy' arising from an imbalance between the weight of views given to those in public expenditure versus those who are primarily concerned with access to better health, including better access to drug therapies in Ireland.
8. Building on existing positive PPI initiatives from both the NCPE and agencies in England and Scotland to further develop appropriate clinician and patient involvement in the drug approval/reimbursement process. The NCPE needs additional resources for this and related purposes.
9. There is a global debate taking place, particularly among health economists, on whether the existing HTA/QALY systems takes into account the emergence of 'superdrugs' for all diseases; the new challenges inherent in precision medicine; and the additional hurdles faced by those developing drugs for rare diseases. Emerging changes and practices should be actively considered for adoption by the appropriate agencies in Ireland.
10. Patient groups will be included in discussions on macro health policies in relation to drug assessment and reimbursement including, for example, in future agreements that presently only involve the Government and the pharmaceutical industry.
11. A clear policy on developing and resourcing patient registries needs to be developed. Registries are well placed to contribute to monitoring the effectiveness of medications and creating favourable conditions for the undertaking of clinical trials in Ireland.
12. The potential of European Reference Networks (ERN's) and the possibility of drawing on the expertise of patient bodies active at a European level should be given greater consideration by the Government in the access to drugs debate at EU/Council of Europe level.
13. Access to new, innovative and improved drug therapies should be given greater protection within existing human rights instruments. Ireland has a role to play in this process at international level.

Recommendations to the Pharmaceutical Industry/Regulators include:

1. While accepting the reality that research and development costs for new drug therapies are often very high, pharmaceutical companies need to do considerably more to ensure that pricing of new, innovative and improved drug therapies in Ireland is fair and avoids extraordinary profit taking.
2. Patient groups should be included in discussions on macro health policies in relation to drug assessment and reimbursement including, for example, in future agreements that presently only involve the Government and the Pharmaceutical Industry.
3. The commitment by all pharmaceutical companies that those patients who take part in clinical trials for a successful drug therapy should be entitled to remain on that drug for the rest of their lives, irrespective of whether the drug is reimbursed in Ireland or not.
4. The ending (by a minority in industry) of some unacceptable practices such as threatening to remove access to medications from patients who are already receiving them on compassionate/managed access grounds.
5. To participate in the review and update of the HTA/QALY system in the context of recent scientific breakthroughs and pharmaco-economic advances for both common and rare diseases.
6. Companies and regulators alike should work to strengthen their readiness towards patient engagement to ensure that patients and their needs are embedded at the heart of drug therapy development, regulation and lifecycle management.
7. The increased use of stratified medicine tools in the development and assessment of drug therapies in order to better identify patients most/least likely to benefit from therapies.

Advancing the Debate:
IPPOSI-MRCG October 18 Event

- IPPOSI and MRCG keen to get in action mode now and to operationalise their “Iceberg Report”.
- PAGs and industry seem aligned on the need for a massive policy overhaul, not just limited “fixes” or “patches”. Nothing in fact nor in principle seems to bind the government to wait until the end of the current Framework Agreement in 2020 – reform could kick off right away.
- Recent developments in Scotland (e.g. PACE) were repeatedly pointed out as an inspiration to explore, and maybe an example to replicate in Ireland.
- Great amount of tension from PAGs at how certain patients have had to be taken off their treatments because of the ongoing tug-of-war between public authorities and companies. Their feeling of being taken as “hostages” is very acute.
- Speech by the HSE representative (Roisin Adams) was a major letdown, revealing very little willingness to challenge any aspect or constraint of the current model, and placing the primary blame for current access deadlocks on the prices set by the industry.
- **Publication of an “Iceberg Report 2.0” expected late January/early February 2018**



Where to go from here?

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V. Country updates

Germany

Matthias Heck, Alexion

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VI. Pharmacy preparations as comparators for significant benefit and price-setting

- Sharing experiences on the new Commission Notice for Significant Benefit
- Possible EUCOPE activities

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Commission notice on the application of Articles 3, 5 and 7 of Regulation (EC) No 141/2000 on OMPs of 18 Nov 2016

Article 3(1)(b) of the OMP Regulation requires the sponsor to establish '**that there exists no satisfactory method of diagnosis, prevention or treatment of the condition in question that has been authorised in the European Union**.

The *Notice* states:

In certain cases, medicinal products prepared for an individual patient **in a pharmacy according to a medical prescription**, as referred to in Article 3(1) of Directive 2001/83/EC (commonly known as the 'magistral formula'), **or according to the prescriptions of a pharmacopoeia** and intended to be supplied directly to patients served by the pharmacy, as referred to in Article 3(2) of that Directive (commonly known as the 'officinal formula'), **may be considered as satisfactory treatment if they are well known and safe and this is a general practice in the EU**.

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EUCOPE opposed considering pharmacy preparations when assessing satisfactory method from the start

- EUCOPE submission to the public consultation (15 March 2016)

Incentivizing companies to provide safe and effective medicines for serious or life-threatening rare diseases should be done in a context of policy continuity and the certainty that the important investments by sponsors therein are respected. **Therefore, it is important that products prepared in a hospital pharmacy are not considered to be "satisfactory methods of treatment" for purposes of the significant benefit assessment, even when their use is based on scientific evidence. Such products are not approved products, they have not undergone the same scrutiny for quality, safety and efficacy**, and are not always subject to effective pharmacovigilance….

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EMA took a similar view in its submission

We would propose that pharmacy preparations are not taken into account for the demonstration of significant benefit as their existence should not dis-incentivise the development of industrially manufactured orphan medicinal products which are subject to a rigorous process for demonstrating their quality, safety and efficacy in the interest of public health.

The aim of the orphan regulation is to stimulate the research, development and bringing onto the market of medicinal products for orphan indications. Patients affected by rare diseases deserve medicines of the same quality, safety and efficacy as other patients. Only industrially prepared products which undergo a rigorous assessment process and are finally granted a Marketing Authorisation can be said to have a demonstrated quality, safety and efficacy since they have to comply with the Community legislation. In addition, they are subject to rigorous pharmacovigilance requirements.

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COMP's first application of the pharmacy preparation rule

- In late 2017 COMP recommended against the maintenance of an orphan designation due to a lack of significant benefit over magistral and officinal preparations.

- While this is the first case of a COMP negative opinion based on magistral/officinal preparations, such cases may multiply in the future as the COMP relied on the Notice

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Concerns re the use of pharmacy preparations as 'comparator' for significant benefit purposes

- Article 3(1)(b) of the Orphan Regulation expressly refers to a **satisfactory method of diagnosis, prevention or treatment of the condition in question that has been authorised in the Community**". Magistral/officinal preparations are not 'authorised' methods of treatment, neither at the European, nor at the national level. To the contrary, magistral/officinal preparations are exceptions to the general obligation to be granted a marketing authorisation before placing a medicinal product on the market.

- Magistral/officinal preparations **are not required to be manufactured in accordance with good manufacturing practice (GMP)**. Their safe and efficacious use in patients is neither tested in clinical trials nor assessed by a public authority.

- The criteria for allowing magistral/officinal preparations to be used as comparators are too vague and too broad such as the expression 'to be of general practice'

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EUCOPE Advocacy needed?

- **Unlikely that the Notice will be amended having been published only in late 2016**

- **Outreach to the Commission and EMA in order to achieve an application of the provision in question with the "utmost restraint"**

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VII. EMA reports on decision-making for orphan medicines

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EMA orphan-maintenance reports publication

- 17 January: EMA announces that it will from now on publish additional reports on decision-making for orphan medicines
- Based on stakeholders' request for more transparency
- Reports to '**summarises the reasoning** of the Agency's Committee for Orphan Medicinal Products (**COMP**) on whether or not a medicine designated as an orphan medicine during its development **still fulfils the designation criteria** at the time of its authorisation'

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VII. HTA

- Presentation of the Commission Proposal
- Discussions

EU Commission proposal on HTA: background

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- **EUnetHTA Joint Action 3** Programme running from 2016 to 2020
- EU Commission to put forward a European legislation on European Cooperation on HTA beyond 2020
- Expected proposal publication: **end of January 2018…** but leaked on 17 January.

EU Commission proposal on HTA: the 4 pillars

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- **Joint scientific assessment <u>only</u>** of health technologies *
- **Joint scientific consultations:** early dialogue, for companies to obtain HTA authorities' advice on the evidence that could be required)
- **Horizon scanning:** annual studies to identify emerging health technologies with a potential "major impact on patients, public health or healthcare systems
- **Voluntary cooperation:** option for MS to further cooperate on a European level on **non-clinical assessments, on collaborative assessment of medical devices not selected** for joint clinical assessment and on the provision of **additional evidence which could facilitate HTA**

EU Commission proposal on HTA: joint scientific assessments in a nutshell

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- **Member-State led** but benefit from secretariat support of the Commission

- Limited to **centrally-authorised medicinal products** or **existing products** for which the marketing authorisation is **extended to a new indication** as well as **medical devices** that meet a list of criteria

- Follow a **progressive implementation**: the proposed **3-year transition period** would allow for the gradual increase of technologies assessed as per a list of criteria as well as of participating Member States.

  After three years, **all Member States should actively contribute to the joint assessment work**

EU Commission proposal on HTA: joint scientific assessments in a nutshell

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- **Binding** for participating Member States who shall not conduct their own scientific assessment of the drugs already assessed at an EU level

- Rely on **European funding** in accordance with the next Multiannual Financial Framework, during the transition period. It is however indicated that such arrangement should be reviewed at the end of the transition period “in order to consider moving this framework to a new or existing EU agency and introducing a fee-paying system”

- Use **EUnetHTA Joint Action activities** as a basis for European HTA procedures and methodologies

EU Commission proposal on HTA: limitations

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- **1 reference only to orphan drugs**
- **Stakeholder involvement** (patients? Industry?)
- Potential issues of **duplication** of activities (e.g. horizon scanning, voluntary cooperation) led under already-existing initiatives (Beneluxa, etc.)
- Framework (and resources allocated) for **voluntary cooperation**
- Possible **bottlenecks**:
  - mandatory MS participation after 3 years
  - Commission powers (secondary law)

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IX. AOB / End of meeting

Reminder: Next OMP meeting

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Thank you and see you on 20 March

European Confederation of Pharmaceutical Entrepreneurs (EUCOPE)
Rue Marie de Bourgogne 58
1000 Brussels / Belgium
Tel.: 0032.2.842.6980